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ACCOUNTING SERVICES DEPARTMENT

HARAMBEE

KSC

KENYA SOCIAL CONGRESS (KSC)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2026

Prepared in accordance with the Accrual Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)

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1. Acronyms and Definition of Key Terms

A: Acronyms

SG	Secretary General
KSC	Kenya Social Congress
ED	Executive Director
CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PPE	Property Plant & Equipment
PSASB	Public Sector Accounting Standards Board
PPA	Political Parties Act
ORPP	Office of Registrar of Political Parties
IDRM	Internal Dispute Resolution Mechanism
CEB	Central Executive Bureau
NC	National Congress
PPF	Political Parties Fund

B: Definition of Key Terms

Fiduciary Management- Members of management who are directly entrusted with the responsibility of managing the organization's financial resources.

The Secretary-General is the accounting officer of the Political Party
Comparative Year- Means the prior period.

2. Key Political Party Information and Management

(a) Background information

Kenya Social Congress (KSC) was fully registered under the Political Parties Act, CAP. 7D in June 1992. The Party is domiciled in Kenya and has 28 branches. It is a member of Taifa Democratic coalition (TDC)

(b) Founding and Origins

The Kenya Social Congress (KSC) was founded in June 1992 by the prominent activist and politician George Anyona.

(c) Political Positioning and Structure

KSC was explicitly created as an opposition party to KANU and Moi's one-party dominance. It champions multipartisim and is opposed to political oppression.

(d) Electoral History

1992 General Elections: George Anyona ran as KSC's presidential candidate, finishing sixth with about 0.3% of the vote. In the parliamentary elections, KSC secured one seat—Anyona himself won in Kitutu Masaba.

2022 Elections: KSC won some electoral seats and qualified for the Political Parties Fund.

Principal Activities

The principal activity/mission/ mandate of the Party is to …

(a) Recruit and enlist members.

(b) Nominate candidates for elections.

(c) promote representation in Parliament and county assemblies of women, persons with disabilities, youth, ethnic and other minorities, and marginalized communities.

Key Political Party Information and Management (continued)

(d) Sensitize the public on the functioning of the political and electoral system.

promote and enhance national unity.

(e) mobilize citizens to participate in political decisions.

(f) solicit and articulate public policy priorities as identified by its members; and

(g) shape and influence public policy.

Vision

To attain a free, just and democratic society with equitable distribution of resources and opportunities for all.

Mission

A KSC Government shall strive to achieve and responsibility exercise accountable political Power in Kenya through participatory democracy (at all levels of governance) and promote social justice and equity.

(e) Key Management

The KSC's day-to-day management is under the following key organs:

No.	Designation	Responsibility
	Central Executive Bureau (CEB)	1. **Samson Kengere Atati** 2. **Alex Ndirangu** 3. **Nelson Onduko**
	Accounting Officer	**Alex Ndirangu**
	Executive Officer	**Brian Getuba**

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Key Political Party Information and Management (continued)

(f) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2026 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Central Executive Bureau (CEB)	**4. Samson Kengere Atati** **5. Alex Ndirangu** **6. Nelson Onduko**
2.	Head of Finance	**Nelson Onduko**
3.	Head of Procurement	**Edna Barongo**

(g) Fiduciary Oversight Arrangements

- **Audit and Risk Committee;**
  - John Onyiego
  - Zablon Gimaino
  - Jane Rono
- **Finance Committee;**
  - Ombaka Ontese
  - Fartuna Alio
  - James Ogutu
- **Parliamentary Oversight Committees**
  - Timothy Ogugu
  - Ibrahim Mose

(h) Party Headquarters

P.O. Box 9211-002000
Venture Building
Benedicta Utawala Road
Utawala, Nairobi.

(i) Party Contacts

Telephone: (254) 722 851 628/722 315 939

E-mail: kscparty2@gmail.com

Website: kscparty.or.ke

Key Political Party Information and Management (continued)

Party Bankers

Equity Bank
Moi Avenue Branch,

PPF Account	0470297632921
Other Account	0470192631005

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(j) Independent Auditor

Auditor-General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(k) Principal Legal Adviser

The Attorney General
State Law Office and Department of Justice
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

Party Legal Advisor

Ochoki & Company Advocates
RoyalTowers, 3rd Floor
Above I&M Bank
Hospital Road

3. The Central Executive Bureau

S.NO	NAME	POSITION	ACADEMIC QUALIFICATIONS	DATE OF ASSUMPTION OF OFFICE	GENDER	DATE VACATED OFFICE
1.	Hon. Atati Kengere	Congress Leader	Graduate	20/12/22	Male	20/12/28
2.	Alex Ndirangu	Secretary General	O level	20/12/22	Male	20/12/28
3.	Nelson Onduko	Nat. treasurer	Diploma	20/12/22	Male	20/12/28
4.	John Onyiego	Chairman	Graduate	20/12/22	Male	20/12/28
5.	Jane Rono	v.chairperson	O level	20/12/22	Female	20/12/28
6.	Edna Barongo	V.Nat. Treasurer	Diploma	22/02/23	Female	20/12/28
7.	Fartuna Alio	Youth rep	O level	20/12/22	Female	20/12/28
8.	Ombaka Ontese	S.I.G. Rep	O level	20/12/22	Male(Pwd)	20/12/28
9.	Ann Odogo	Women leader	O level	22/02/23	Female	20/12/28
10.	James Ogutu	Org. Sec	O level	26/06/24	Male	20/12/28
11.	Zablon Tege	Trustee	O level	26/06/24	Male	20/12/28

4. Key Management/Secretariat Team

Name	Position	Responsibility
Atati Kengere	Congress Leader	Convenor of CEB Meetings
Alex Ndirangu	Secretary General	Accounting Officer/ Secretary to the CEB
Nelson Onduko	Nat. Treasurer	In charge party finances
Ann Odongo	Women leader	In charge Women affairs
Fartuna Alio	Youth leader	In charge youth affairs
Ontese Ombaka	SIG Rep	In charge PWD ,marginalized programs
Onyango John	Chairman	Coordinator of daily programs and in charge of the secretariat
James Ogutu	ORG Sec	In charge of recruitments, promotions
Oeke Brian	Executive officer	In charge of daily office duties

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5. Congress Leader's Statement

- **Successes made by the party during the year**

Kenya Social Congress had a robust program all year round. The Party held consultative meetings with aspiring candidates with a view of preparing them for the big prize on 10th August 2027, the general elections we anxiously await as a Nation.

- **Challenges faced by the party during the year**

The party made significant progress by netting some Ksh.662,000 from membership subscription fees. It was also noted that there were so many activities to conduct to make the Party visible to the masses but due to budgetary limitation, we couldn't carry all of the desired activities until resources were adequate to do so.

- **Changes in the CEB**

There were no changes in the Party's CEB

- **Status on the implementation of the Party's strategic plan.**

The Party's five-year strategic plan is well on course, but the party needs a revamp of its resources to actualize the plan. In this regard, the party will conduct a serious resource mobilization geared towards amassing enough funds to run the strategic plan to its successful realisation.

- **Stakeholders' engagements within the year**

The party participated in stakeholder's meetings including the office of the registrar of political parties as a regulator, non-governmental organisations like CMD Kenya who play a crucial role in funding youth and women related engagements.

- **Political direction of the Party**

With slightly over one year to the 2027 polls the party is keen in participating fully those elections with a view of forming a government by the people and for the people.

.....

Atati Kengere

Congress Leader

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6. Report of the Secretary-General

Introduction

In accordance with the requirements of the Political Parties Act, 2011 (as amended) and the Party Constitution, I am pleased to present the Report of the Secretary General for the financial year ended 30 June 2026. This report highlights the governance, political activities, membership development, and financial performance of the party during the year under review.

a) Political and Operational Activities

During the Financial year 2025/2026, the party continued to pursue its mission of advancing democratic governance, social justice, and inclusive political participation. Our key priorities included:

a) Strengthening grassroots structures in all 47 counties.
b) Expanding membership through digital registration and targeted outreach.
c) Enhancing policy research and development to guide our political agenda.
d) Preparing for the 2027 General Elections through candidate identification and leadership training.
e) The party successfully conducted four County Delegates Conferences, two CEB meetings, and multiple constituency-level mobilization forums to engage members and promote internal democracy.

b) Governance and Compliance

The party maintained full compliance with all statutory requirements, including:
Timely submission of audited financial statements to the Office of the Registrar of Political Parties (ORPP).
Adherence to the Political Parties Code of Conduct.
Observance of the two-thirds gender rule in leadership appointments.
Full disclosure of sources of income in line with campaign finance regulations.

c) Financial Performance

For the year ended 30 June 2026:

Total Revenue amounted to KSh 2,716,997comprising allocations from the Political Parties Fund, Membership Subscription Fees and Contributions from the members of the County Assemblies.

Total Expenditure was KSh 2,661,517 with the largest share allocated to Special Interest Groups (46%), Political Advocacy and Electoral expenses (39%), and administrative operations (15%). The party closed the year with a surplus of KSh 48,042.

Report of the Secretary-General (Continued)

The CEB exercised prudent financial management to ensure resources were used efficiently and in line with the party's objectives.

d) Challenges

The party faced the following challenges in 2026:

- Reduced allocation from the Political Parties Fund due to national budgetary pressures.
- Rising operational costs caused by inflation and increased mobilization expenses.
- Limited donor funding for political education and policy development programs.

Mitigation measures included cost control, targeted fundraising, and increased member subscription drives.

e) Outlook for the year2027

In the coming year, the party will:

i. Intensify voter registration and civic education campaigns.
ii. Strengthen policy advocacy on key national issues.
iii. Expand its media and digital outreach to enhance public engagement.

Continue preparing for the 2027 General Elections through strategic partnerships and coalition-building.

Appreciation

I wish to thank our party members, elected representatives, leadership teams, and partners for their dedication and support throughout the year. Together, we will continue building a strong, democratic, and inclusive political movement.

Signed:

Alex Ndirangu
Secretary General
Kenya Social Congress

Date 13/7/26

7. Statement of Performance against Predetermined Objectives for FY 2025/2026-1

The Political Party has a strategic plan running from Year 2023 to Year 2028. The Strategic Plan is implemented in annual work plans. The performance of the Party during the year is presented in the table below:

No	Program/Activity	Key Performance Indicator	Target	Achievement	Remarks
1.	Special Interest groups	Active Youths, Women PWDs and marginalized	2,500	1,950	More than Half Target achieved
2.	Administration	Professionally run Secretariat	Smooth running of activities	The Secretariat is well maintained in all aspects	
3	Advocacy and Electoral	Party outreach and Presence Party Promotional Materials Environmental and Climate Change active participation	15 Counties	9 Counties	The party actively engaged delegates from various Counties. It also participated in community cleaning exercise

8. Governance Statement

Kenya Social Congress (KSC) is a fully registered political party under the Political Parties Act, 2011 and is committed to the highest standards of political governance, accountability, and transparency in all its operations. Our governance is guided by the Party Constitution, the Political Parties Code of Conduct, and applicable national laws and regulations.
The party operates on the principles of internal democracy, inclusivity, equity, and rule of law, ensuring that leadership is representative of Kenya's diverse communities.

Party Organs and Leadership Structure

The governance of the party is vested in the following organs:
National Delegates Conference (NDC): The supreme decision-making organ responsible for major policy directions, constitutional amendments, and election of national officials.
Central Executive Bureau (CEB): Charged with policy formulation, oversight of party programs, and implementation of NDC resolutions.
Parliamentary Group (PG): Comprising elected Members of Parliament and County Assemblies, providing legislative agenda alignment.
County, Constituency, and Ward Committees: Implement party policies at grassroots level and mobilize membership.
During the year, the CEB met 4 times, and the NDC met once to deliberate on party strategy, operational issues, and compliance requirements.

Accountability and Compliance

The party maintains full compliance with the Office of the Registrar of Political Parties (ORPP) requirements, including:

- Annual audited financial statements submission.
- Disclosure of sources of funding in accordance with the Political Parties Act.
- Adherence to the 2/3 gender rule and youth and persons with disabilities representation in leadership positions.

All financial transactions are conducted through the party's official bank accounts, and procurement follows the principles of fairness, value for money, and transparency.

Ethical Standards and Code of Conduct

We uphold a strict internal Code of Ethics, which all members and leaders must sign upon assuming office. This code prohibits:

- Use of hate speech, violence, or intimidation.
- Misuse of party resources.
- Conflict of interest in decision-making.

There were no disputes reported in the year hence there was no meeting.

Inclusivity and Representation

In line with our constitutional commitment, the party ensured that leadership structures at all levels included:

- At least 1/3 representation of either gender.
- Active youth participation (ages 18–35) in key decision-making organs.
- Inclusion of persons with disabilities in governance roles.

Risk Management

The CEB maintains oversight of political, financial, and operational risks, including:

- Funding risks due to reduced Political Parties Fund allocations.
- Political risks arising from coalition realignments.
- Operational risks linked to grassroots mobilization challenges.

Mitigation measures include diversifying revenue sources, strengthening member engagement, and reinforcing internal monitoring systems.

Stakeholder Engagement

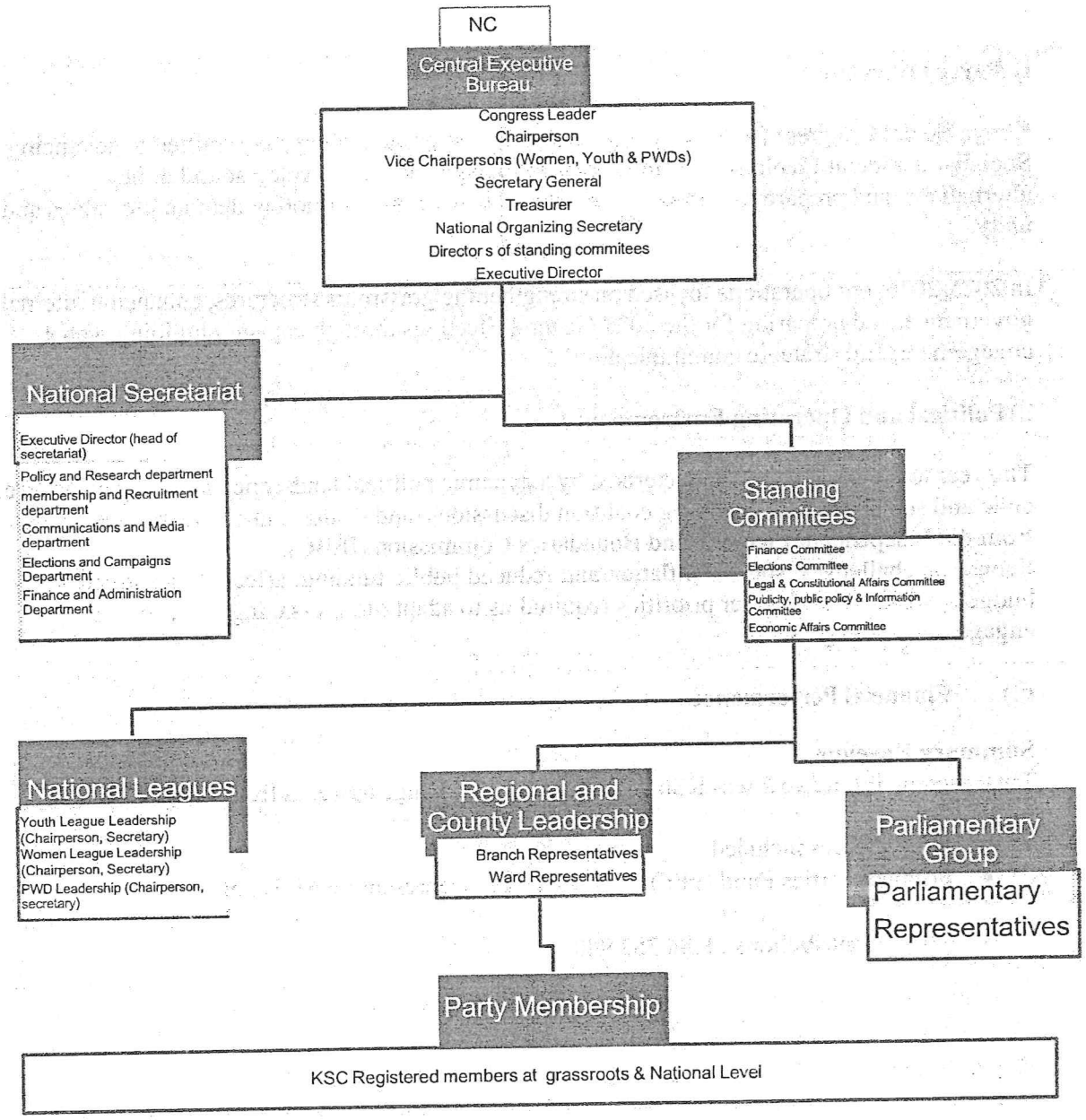
The party engages continuously with:

- Members and grassroots leaders.
- Civil society organizations and interest groups.
- Media and the general public through press briefings, social media, and policy forums.

In Financial year 2025/2026, the Party conducted Six county forums.

Approved by the Central Executive Bureau on: 13th July 2025
Signed:

Atati Kengere
Congress Leader


NC
Central Executive Bureau
Congress Leader
Chairperson
Vice Chairpersons (Women, Youth & PWDs)
Secretary General
Treasurer
National Organizing Secretary
Director s of standing commitees
Executive Director
National Secretariat
Executive Director (head of secretariat)
Policy and Research department
membership and Recruitment department
Communications and Media department
Elections and Campaigns Department
Finance and Administration Department
Standing Committees
Finance Committee
Elections Committee
Legal & Constitutional Affairs Committee
Publicity, public policy & Information Committee
Economic Affairs Committee
National Leagues
Youth League Leadership (Chairperson, Secretary)
Women League Leadership (Chairperson, Secretary)
PWD Leadership (Chairperson, secretary)
Regional and County Leadership
Branch Representatives
Ward Representatives
Parliamentary Group
Parliamentary Representatives
Party Membership
KSC Registered members at grassroots & National Level

9. Management Discussion and Analysis

For the Year Ended 30th June 2026

i) Party Overview

Kenya Social Congress (KSC) is a registered political party in Kenya committed to advancing Socialist democrat Ideology. Our mission is to engage citizens, develop sound policy alternatives, and prepare candidates for electoral office while promoting democratic values and unity.

In 2025/2026, our operations focused on strengthening grassroots structures, enhancing internal governance, and preparing for the 2027 General Elections through capacity building, voter engagement, and strategic communication.

ii) Political and Operating Environment

The year under review was characterized by a dynamic political landscape, including heightened civic and social activity, emerging coalition discussions, and changes in electoral regulations from the Independent Electoral and Boundaries Commission (IEBC).
Economic challenges, such as inflation and reduced public funding, affected our outreach budgets, while shifting voter priorities required us to adapt our messaging and community engagement strategies.

iii) Financial Performance

Summary Revenue
Total income for the year was KSh 2,716,997, a 70% change upwards from financial year 2024/2025.
Key funding sources included:

- Political Parties Fund (PPF): KSh 1,671,097, representing 61.5% of total revenue.
- MCA Contributions : KSh 383,900

Expenditure

- Special Interests Groups expenses: 46% of total expenses.
- Advocacy and Electoral related expenses: 39%.
- Administration: 15%.

Surplus/Deficit

The party recorded a surplus of KSh 48,042, attributed to reduced PPF allocation and low membership contributions.

Management Discussion and Analysis (continued)

iv) Key Achievements in 2025/2026

- Visited and trained new ward and constituency officials to strengthen grassroots presence.
- Trained over 1,500 youth and women leaders in political leadership and governance.
- Met Party coordinators from Nyamira, Laikipia, Kisii, Nakuru, Migori and Meru counties amongst other places.
- Successfully participated in plans for by-elections for the November 2025 By-election.

Initiated policy forums on key issues—e.g., affordable healthcare, job creation, and climate resilience.

v) Liquidity and Financial Position

At year-end, the party held KSh 309 in cash and bank balances, insufficient to cover operating costs.

There were no outstanding liabilities.

vi) Risks and Uncertainties

Funding Risk: Reduced Political Parties Fund allocation due to budget cuts.

Political Risk: Coalition realignments that could affect voter base stability.
Regulatory Risk: Amendments to the Political Parties Act affecting membership rules in the Integrated Political Parties Management System (IPPMS) and campaign finance limits.
Mitigation strategies include diversifying income streams, strengthening donor engagement, and enhancing compliance systems.

vii) Future Outlook (2026/2027 and Beyond)

The party will:

- Intensify voter registration drives targeting youth and first-time voters.
- Roll out political education programs in all counties.
- Strengthen internal governance and accountability mechanisms.

Expand policy research capacity to position the party as a credible voice on national development.

Prepare an integrated campaign strategy for the 2027 General Elections.

10. Environmental and Sustainability Reporting

Kenya Social Congress (KSC) is committed in reducing environmental impact in its operations. The party is cognizant of adverse environmental effects on sustainability practices. Sustainability is the ability to maintain or continue offering services to the country's citizens over the long term. It is using resources in a way that allows them to replenish and continue supporting life both now and in the future.

1. **Sustainability strategy and profile -**

   To ensure the sustainability of **KSC**, the party funds the following key thematic areas/programmes as part of its sustainable priorities.

   a. **Training and advocacy**: **KSC** focus on political education for party members through conducting sensitization forums and customized training. The intention is to empower the party members such that in years to come, the training beneficiaries at all level will be informed party members creating loyalty to the party, thereby contributing positively to democracy and strengthening the party. This strategy takes care of marginalized groups, women, youth and people living with disabilities.

   b. **Representation and Participation:** Among its key pillars, **KSC** aims to achieve representation at County and National Assembly of Special Interest Groups (SIGs) as a priority area with the intention to enhance their participation in political discourse. The strategy is to have a long-term collaborative working approach that enhances community engagement in Political participation. This is aimed at increasing the number of SIGs both at County and National Assembly electoral processes. The Party directly engages stakeholders in decision-making and fully considers members.

   c. **Climate change mitigation:** **KSC** acknowledges that all its operation has an impact on the environment. Cognizant of the Sustainable development goals, the Party has allocated part of its budget to climate change mitigation activities such as afforestation, re-afforestation, grassroots sensitization, and tree seedling production.

   d. **Environmental performance:** **KSC** is cognizant of environmental management and coordination Act Cap 387 and aspires to comply with all the requirements thereon of a public entity. The party focuses on the following key areas in environmental performance.

Environmental and Sustainability Reporting (Continued)

i. Water management- Minimization of water wastage through installation of smart taps, increase monitoring of water use and ensuring clean water availability in the party offices.
ii. Waste management – The party segregates its waste re-usability and recycling processes. All waste is collected on timely basis in labelled waste bags and dropped off to collection points.
iii. Lights – The party has put in place measures to use clean energy in the office. The party uses energy savings bulbs and ensures that lights are switched off when not in use.
iv. Recycling – The party segregates waste for recycling purposes.
v. Transportation – The party aspires to use low carbon emission modes of transport; pool transport is used during party activities.
vi. Digital documentation – Through digital transformation the party has reduced the use of papers in printing.
vii. Green energy –The party has explored the use of solar and wind energy in its operations across its activities.

2. Employee welfare

We invest in providing the best working environment for our employees. **KSC** recruitment is guided by Employment Act CAP 226D, Political Parties Act CAP 7D, **KSC Human Resource Policy** and other regulations as issued from time to time. In line with the laws and regulations, the Party offers equal opportunity to all while adhering to the one-third gender rule and special interest groups. We also recognize and appreciate our employees for exemplary performance. The reward and sanctions system is based on performance appraisal and internal Human Resource Manual.

The Party promotes a healthy lifestyle by encouraging work life balance and by ensuring all employees are registered with national health insurance provider e.g. (SHA). Employees are encouraged and supported to build on their skills and knowledge continually. **KSC** invests in capacity-building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross-cutting issues.

The Political Party has a safety policy in compliance with the Occupational Safety and Health Act of 2007 (OSHA) and has ensured the work environment is conducive to everybody's movement and accessibility within the office, including PWDs. The Party has also put in place

Environmental and Sustainability Reporting (Continued)

disaster-mitigating measures, including fire extinguishers and accessible escape routes in case of emergency.

3. **Marketplace practices-**

KSC is committed to fair and ethical market practices. The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants as per the party's finance and procurement manual. We support local vendors to lift them economically. Our ethical market practices ensure the party gets value for money on all goods and services procured.

We are also committed to healthy relations with our suppliers, which are enhanced through organized sensitization forums on the procurement legal framework and ethical subject matters. We are dedicated to honoring all contracts and settling payments promptly.

KSC has put in efforts to ensure:

i. Responsible competition practice by encouraging fair competition and zero tolerance to corruption.
ii. Good business practices, including cordial Supply chain and supplier relations, by honoring contracts and respecting payment practices.
iii. Responsible marketing and advertisement
iv. Product stewardship by safeguarding consumer rights and interests.

4. **Community Engagements-**

KSC has endeavored to sustain community engagement through Corporate Social Responsibility (CSR) as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community on the party mandate through civic education, public barazas, women leagues, youth leagues and PWDs leagues.

.....
Alex Ndirangu
Secretary General

11. Report of the Central Executive Bureau (CEB)

The CEB submits their report together with the audited financial statements for the year ended June 30, 2026, which show the state of the Party's affairs.

i) Principal activities

The principal activities of the Party are reported on page (iii) of these financial statements.

ii) Results

The results of the Kenya Social Congress (KSC) for the year ended June 30, 2026, are set out on page 1 to 6.

iii) Council Members

The members of the Governing body/CEB who served during the year are shown on page vii. During the year no members retired/ resigned.

iv) Auditors

The Auditor-General is responsible for the statutory audit of the Kenya Social Congress (KSC) in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015

By Order of the Central Executive Committee

.....

Alex Ndirangu

Secretary General

12. Statement of the Central Executive Bureau Responsibilities

Section 31 of the Political Parties Act Cap 7D requires the CEB to prepare financial statements in respect of that Party, which give a true and fair view of the state of affairs of the Party at the end of the financial year and the operating results of the Party for that year. The CEB is also required to ensure that the Party keeps proper accounting records which disclose with reasonable accuracy the Party's financial position. CEB is also responsible for safeguarding the assets of the Party.

The CEB is responsible for the preparation and presentation of the Party's financial statements, which give a true and fair view of the state of affairs of the Party for and as at the end of the financial year ended on June 30, 2026. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Party; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the Party; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The CEB accepts responsibility for the Party's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and the Political Parties Act. The CEB is of the opinion that the Party's financial statements give a true and fair view of the state of the Party's transactions during the financial year ended June 30, 2026, and of the Party's financial position as at that date. The CEB further confirms the completeness of the accounting records maintained for the Party, which have been relied upon in the preparation of the Party's financial statements, as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the CEB assessed the Party's ability to continue as a going concern Nothing has come to the attention of the Directors to indicate that the Kenya Social Congress (KSC) will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Party's financial statements were approved by the Board on July 13th, 2026 and signed on its behalf by:

.....	.....
Atati Kengere	**Alex Ndirangu**
Congress leader	**Secretary General**

13. Report of the Independent Auditor for the Financial Statements of Kenya Social Congress (KSC)

14. Statement of Financial Performance for the year ended 30 June 2026

	Notes	FY 2025-2026	FY 2024-2025
		Kshs	Kshs
Revenue			
Transfers from Political Parties Fund (PPF)	6	1,671,097.00	1,177,758.00
Membership Fees	7	662,000.00	0.00
Public Contributions and Donations	8	383,900.00	418,800.00
Total Revenue		**2,716,997.00**	**1,596,558.00**
Expenses			
Administrative Expenses	9	419,297.00	366,250.00
Special Interest Groups expenses	10	1,225,585.00	711,605.00
Advocacy and Electoral expenses	11	1,024,073.00	515,150.00
Total expenses		**2,668,955.00**	**1,593,005.00**
Surplus		**48,042.00**	**3,553.00**

The notes set out on pages 7 to 36 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 6 were signed on behalf of the CEB by:

.....	.....	.....
Name: Alex Ndirangu	**Name:**	**Name: Atati Kengere**
Secretary General	**Head of Finance**	**Congress Leader**
	ICPAK M/No:	
Date 13/7/26	**Date** 13/7/26	**Date** 13/7/26

15. Statement of Financial Position as at 30 June 2026

	Notes	FY 2025-2026	FY 2024-2025
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	12	309.00	4,329.00
Total Current Assets		**309.00**	**4,329.00**
Non-Current Assets			
Purchase of Property Plant and Equipment	13	59,500.00	-
Less: Depreciation Expense	13	(7,438.00)	
Total Non- Current Assets		**52,062.00**	-
Total Assets (A)		**52,371.00**	**4,329.00**
Liabilities			
Current Liabilities			
Total Current Liabilities		-	-
Non-Current Liabilities			
Total Non- Current Liabilities		-	-
Total Liabilities (B)		-	-
Net Assets (A-B)		**52,371.00**	**4,329.00**
Represented by:			
Revaluation Reserves			-
Accumulated Surplus		**52,371.00**	4,329.00
Net Assets		**52,371.00**	**4,329.00**

The financial statements set out on pages 1 to 6 were signed on behalf of the CEB by:

.....	.....	.....
Name: Alex Ndirangu	**Name:**	**Name: Atati Kengere**
Secretary General	**Head of Finance**	**Congress Leader**
	ICPAK M/No:	
Date 13/7/26	**Date** 13/7/26	**Date** 13/7/26

16. Statement of Changes in Net Assets for the year ended 30 June 2026

Description	Revaluation reserve	Accumulated Surplus	Total
	Kshs	Kshs	Kshs
As at July 1, 2025		776.00	776.00
Revaluation gain	-	-	-
Transfer of excess depreciation on Revaluation	-	-	-
Surplus/ deficit for the year	-	3,553.00	3,553.00
Less: Provision for doubtful debts		-	-
As at June 30, 2025	**-**	**4,329.00**	**4,329.00**
As at July 1, 2025	**-**	**4,329.00**	**4,329.00**
Revaluation gain	-	-	-
Transfer of excess depreciation on Revaluation	-	-	-
Surplus for the year	-	48,042.00	48,043.00
As at June 30, 2025	**-**	**52,371.00**	**52,371.00**

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17. Statement of Cash Flows for the year ended 30 June 2026

	Notes	FY 2025-2026 Kshs	FY 2024-2025 Kshs
Cash flows from operating activities			
Receipts			
Transfers from Political Parties Fund (PPF)	6	1,671,097.00	1,177,758.00
Membership Fees	7	662,000.00	0.00
Public Contributions and Donations	8	383,900.00	418,800.00
Total receipts		**2,716,997.00**	**1,596,558.00**
Payments			
Administrative Expenses	9	411,859.00	366,250.00
Special Interest Groups expenses	10	1,225,585.00	711,605.00
Advocacy and Electoral expenses	11	1,024,073.00	515,150.00
Total payments		**2,661,517.00**	**1,593,005.00**
Net cash flows from/(used in) operating activities		**55,480.00**	**3,553.00**
Cash flows from investing activities			
Purchase of PPE and Intangible assets	12	59,500.00	-
Net cash flows from/(used in) investing activities			-
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Net cash flows from financing Activities		-	-
Net increase/(decrease) in cash & Cash equivalents		**(4,020.00)**	**3,553.00**
Cash and cash equivalents at 1 July	12	4,329.00	776.00
Cash and cash equivalents at 30 June	12(a)	**309.00**	**4,329.00**

18. Statement of Comparison of Budget and Actual amounts for the year ended 30 June 2026

	Original budget	Adjustments	Final budget	Actual on comparable Basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	B	c=(a+b)	D	e=(c-d)	f=d/c*100
Carry Overs from the Previous Period		**4,329.00**	**4,329.00**	**4,329.00**	-	
Receipts			-			
Transfers from Political Parties Fund (PPF)	1,671,097.00	-	1,671,097.00	1,671,097.00	-	100%
Membership Fees	-	-	-	662,000.00	662,000.00	-
Public contributions and donations	450,000.00	-	450,000.00	383,900.00	(66,100.00)	85.3%
Investment Income	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-
Total	**2,121,097.00**	**4,329.00**	**2,125,426.00**	**2,721,326.00**	**595,900.00**	**128%**
Payments						
Administrative Expenses	600,000.00	4,329.00	604,329.00	411,859.00	192,470.00	68.15%
Special Interest Groups expenses	1,000,000	-	1,000,000	1,225,585.00	(225,585.00)	122.6%
Advocacy and Electoral expenses	421,097.00	-	421,097.00	1,024,073.00	(602,976.00)	243.2%
Purchase of Assets	100,000.00	-	100,000.00	59,500.00	40,500.00	59.5%
Total Expenditure	**2,121,097.00**	**4,329.00**	**2,125,426.00**	**2,721,017.00**	**(595,591.00)**	**128%**
Surplus for the period	-			**309.00**	**309.00**	

Budget Reconciliation

No	Description	Kshs
	Actual Surplus Amounts as per the statement of Budget	309.00
1	Reason for differences	-
2	Reason for differences	-
3	Reason for differences	-
4	Reason for differences	-
	Closing Cash and Cash Equivalent as per the statement of Cash flows	**309.00**

19. Notes to the Financial Statements

1. General Information

Kenya social congress(KSC) party is established by and derives its authority and accountability from Political Parties Act.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of fina/ncial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Kenya Social Congress (KSC)'s accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Kenya Social Congress (KSC). The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2025.

There were no new and amended standards issued in the financial year.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025

Standard	Effective date and impact:
IPSAS 43: Leases	***Applicable 1st January 2025*** The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Kenya Social Congress (KSC). The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	***Applicable 1st January 2025*** The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. There is no impact on the Kenya Social Congress
IPSAS 45: Property Plant and Equipment	***Applicable 1st January 2025***

Standard	Effective date and impact:
	The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, ' infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. The standard has no impact on the Kenya Social Congress as the Land and other heritage assets does not exist in the party.
IPSAS 46: Measurement	***Applicable 1st January 2025*** The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value. KSC is not impacted by the standard.
IPSAS 47: Revenue	***Applicable 1st January 2026*** This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that Kenya Social Congress (KSC) shall apply to report useful

Standard	Effective date and impact:
	information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. KSC will follow the standard as provided.
IPSAS 48: Transfer Expenses	***Applicable 1st January 2026*** The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers. **KSC** is not impacted by the standard.
IPSAS 49: Retirement Benefit Plans	***Applicable 1st January 2026*** The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan. KSC is not impacted by the standard.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	***Applicable 1st January 2027*** The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the Kenya Social Congress (KSC)'s financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. KSC is not impacted by the standard.

Standard	Effective date and impact:
IPSAS 43: Leases	***Applicable 1st January 2025*** The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of Kenya Social Congress (KSC). The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. KSC is keen to follow the standard on its lease on rent.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	***Applicable 1st January 2025*** The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. KSC is not impacted by the standard.
IPSAS 45: Property Plant and Equipment	***Applicable 1st January 2025*** The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.

IPSAS 46: Measurement	***Applicable 1st January 2025*** The objective of this standard was to improve measurement guidance across IPSAS by: ii. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. iii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iv. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value.
IPSAS 47: Revenue	***Applicable 1st January 2026*** This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that Kenya Social Congress (KSC) shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. The standard will guide the follow the standard in giving information to users on how the revenue is collected and utilised.
IPSAS 48: Transfer Expenses	***Applicable 1st January 2026*** The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.

IPSAS 49: Retirement Benefit Plans	*Applicable 1st January 2026* The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan. KSC is not impacted by the standard.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	*Applicable 1st January 2027* The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: iv. Limited improvements to existing accounting practices for exploration and evaluation expenditures. v. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. vi. Disclosures that identify and explain the amounts in the Kenya Social Congress (KSC)'s financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. KSC is not impacted by the standard.

iii. Early adoption of standards

The Kenya Social Congress (KSC) did not early – adopt any new or amended standards in the financial year.

Notes to the financial statements (continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from The Political Parties Fund

Revenues transfers from the Political Parties Fund are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Party and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance upon meeting the set conditions.

ii) Revenue from exchange transactions

Rendering of services

The Kenya Social Congress (KSC) recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Notes to the financial statements (continued)

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the party.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Dividends

Dividends or similar distributions must be recognized when the shareholder 's or the Kenya Social Congress (KSC)'s right to receive payments is established.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

The original budget for the Current FY was approved by the National Assembly. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the **Kenya Social Congress (KSC)** upon receiving the respective approvals in order to conclude the final budget.

Budget information (continued)

The ***Kenya Social Congress (KSC)'s*** budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actual cash and cash equivalents from the statement of cash flows.

c) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de- recognition. Transfers are made to or from investment property only when there is a change in use.

Notes to the financial statements (continued)

d) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Kenya Social Congress (KSC) recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

e) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Kenya Social Congress (KSC). Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Kenya Social Congress (KSC) also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Kenya Social Congress (KSC) will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Kenya Social Congress (KSC). Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

Notes to the financial statements (continued)

f) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

g) Research and development costs

The Kenya Social Congress (KSC) expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Kenya Social Congress (KSC) can demonstrate:

i) The technical feasibility of completing the asset so that the asset will be available for use or sale.
ii) Its intention to complete and its ability to use or sell the asset.
iii) How the asset will generate future economic benefits or service potential
iv) The availability of resources to complete the asset.
v) The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

Notes to the financial statements (continued)

h) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Kenya Social Congress (KSC) does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the party's financial statements. (amend as appropriate). A financial instrument is any contract that gives rise to a financial asset of one Kenya Social Congress (KSC) and a financial liability or equity instrument of another Kenya Social Congress (KSC). At initial recognition, the Kenya Social Congress (KSC) measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

a) Financial assets

Classification of financial assets

The Kenya Social Congress (KSC) classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the Kenya Social Congress (KSC)'s management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an Kenya Social Congress (KSC) has made irrevocable election at initial recognition for particular investments in equity instruments.

Notes to the financial statements (continued)

Subsequent measurement

Based on the business model and the cash flow characteristics, the Kenya Social Congress (KSC) classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

Notes to the financial statements (continued)

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the Kenya Social Congress (KSC) manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Impairment

The Kenya Social Congress (KSC) assesses, on a forward-looking basis, the expected credit loss (_ECL') associated with its financial assèts carried at amortized cost and fair value through net assets/equity. The Kenya Social Congress (KSC) recognizes a loss allowance for such losses at each reporting date.

b) Financial liabilities

Classification

The Kenya Social Congress (KSC) classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

i) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Kenya Social Congress (KSC).

Notes to the financial statements (continued)

j) Provisions

Provisions are recognized when the Kenya Social Congress (KSC) has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Kenya Social Congress (KSC) expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

k) Contingent liabilities

The Kenya Social Congress (KSC) does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

l) Contingent assets

The Kenya Social Congress (KSC) does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Kenya Social Congress (KSC) in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

Notes to the financial statements (continued)

m) Nature and purpose of reserves

The Kenya Social Congress (KSC) creates and maintains reserves in terms of specific requirements.

n) Changes in accounting policies and estimates

The Kenya Social Congress (KSC) recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

o) Employee benefits

Retirement benefit plans

The Kenya Social Congress (KSC) provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which Kenya Social Congress (KSC) pays fixed contributions into a separate Kenya Social Congress (KSC) (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

p) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

q) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

r) Related parties

The Kenya Social Congress (KSC) regards a related party as a person or an Kenya Social Congress (KSC) with the ability to exert control individually or jointly, or to exercise significant influence over the Kenya Social Congress (KSC), or vice versa. Members of key management are regarded as related parties and comprise CEB Members and other officials as per the Party's constitution and the Political Parties Act.

s) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

t) Comparative figures

Where necessary, comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

u) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2026.

Summary of Significant Accounting Policies (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Kenya Social Congress (KSC)'s financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. State all judgements, estimates and assumptions made:

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Kenya Social Congress (KSC) based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Kenya Social Congress (KSC). Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual value

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

a) The condition of the asset based on the assessment of experts employed by the Kenya Social Congress (KSC).
b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
c) The nature of the processes in which the asset is deployed.
d) Availability of funding to replace the asset.
e) Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 40. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

Notes to the Financial Statements (Continued)

6. Transfers from Political Parties Fund (PPF)

Description	FY 2025/2026	FY 2024/2025
	Kshs	Kshs
Operational Grant	1,671,097.00	1,012,841.00
Other Grants		-
Total	**1,671,097.00**	**1,012,841.00**

The fund will support various party programmes as outlined by the work plan submitted to ORPP.

7. Membership Fees

Description	FY 2025/2026	FY 2024/2025
	Kshs	Kshs
Subscription fees	662,000.00	0.00
Founder Members contributions	0.00	0.00
Total	**662,000.00**	**0.00**

8. Public Contributions and Donations

Description	FY 2025/2026	FY 2024/2025
	Kshs	Kshs
MCA Monthly Contributions	383,900.00	418,800.00
Founder Members contributions	0.00	0.00
Total	**383,900.00**	**418,800.00**

9. Administrative Expenses

Description		FY 2025/2026	FY 2024/2025
	Note	Kshs	Kshs
Office Rent		288,000.00	120,000.00
Transport & Fuel		58,450.00	30,500.00
Stationaries & printing		51,842.00	5,640.00
Media & publications		6,800.00	6,375.00
Consumables		1,150.00	0
Utilities	9(a)	-	93,430.00

Description	Note	FY 2025/2026 Kshs	FY 2024/2025 Kshs
Depreciation		7,437.00	-
Subscriptions to Professional bodies		-	100,000.00
Bank charges		5,617.00	5,505.00
Total Administrative Expenses		**419,296.00**	**366,250.00**

9 (a) Utilities

Description	FY 2025/2026 Kshs	FY 2024/2025 Kshs
Electricity & Internet	-	72,000
Website upgrade/Renewal	6,800.00	5,000
Fittings	-	3,000
Repairs	-	9,000
Meals & snacks	-	4,430
Total Utilities	**6,800.00**	**93,430**

Notes to the Financial Statements (Continued)

10. Special Interest Groups (SIG)

Description	FY 2025/2026	FY 2024/2025
	Kshs	Kshs
Transport	-	191,383
Conference Facility	-	250,000
Food and Refreshment	-	4,922
Nairobi Women Caucus	29,400.00	-
Accommodation	-	9,300
Meru SIG Meeting	145,000.00	-
Venue Hire	-	56,000
Kitui SIG Meeting	184,300.00	-
Migori SIG Meeting	337,058.00	-
Kisii SIG Meeting	299,327.00	-
Nyamira SIG Meeting	230,500.00	-
Women League Transport re-imbursement	-	100,000
Youth League Transport re-imbursement	-	70,000
PWD League Transport re-imbursement	-	30,000
Total	**1,225,585.00**	**711,605**

11. Advocacy and Electoral Expenses

Description	FY 2025/2026	FY 2024/2025
	Kshs	Kshs
Printing Cost and Promotional materials	341,500.00	22,400.00
Conference Facility	-	29,000.00
Transport and Stakeholders Consultative forum	-	286,690.00
Accommodation	-	22,500.00
Food & refreshments	-	53,080.00
Venue Hire	-	101,480.00
Training for Party Agents	146,400.00	-
Recruitment expenses	167,443.00	-
County Delegates Meetings	48,180.00	-
Environment and Climate Change	45,000.00	-
Aspirants Search	21,265.00	-
Media and publicity	54,875.00	-
Total	**1,024,073.00**	**515,150.00**

Notes to the Financial Statements (Continued)

12. Cash and Cash Equivalents

Description	FY 2025/2026	FY 2024/2025
	Kshs	Kshs
Current Account	309	4,329
Savings Account		-
On - Call Deposits		-
Fixed Deposits Account		-
Total Cash and Cash Equivalents	**309**	**4,329**

12 (a) Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	FY 2025/2026	FY 2024/2025
		Kshs	Kshs
a) **Current Account**			
Equity Bank	0470297632921	-	2,244.35
Equity Bank	0470192631005	309	2,084
Sub- Total			**4,329**
b) On - Call Deposits			
-		-	-
Sub- Total		-	-
c) Fixed Deposits Account			
-		-	-
Sub- Total		-	-
Cash In Transit		-	-
Cash In Hand		-	-
Mobile Money Accounts		-	-
Sub- Total		-	-
Grand Total		**309**	**4329**

13. Property, Plant and Equipment

Cost	Furniture and fittings	Computers	Office Equipment	Capital Work in progress	Total
Depreciation Rate	12.5%	30%	12.5%		
	Kshs	Kshs	Kshs	Kshs	Kshs
As At 1July 2024	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-
Revaluation Adjustments	-	-	-	-	-
As at 30th June 2025	-	-	-	-	-
	-	-	-	-	-
1st July 2025	40,000	-	19,500	-	59,500
Additions	-	-	-		
Disposals	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-
Revaluation adjustments	-	-	-	-	-
As at 30th June 2026	40,000	-	19,500	-	59,500
	-	-	-	-	-
Depreciation And Impairment	-	-	-	-	-
At 1July 2025	40,000	-	19,500	-	59,500
Depreciation	5,000	-	2,438	-	7,438
Impairment	-	-	-	-	-
Transfers/ Adjustments	-	-	-		-
As At 30th 2026	35,000	-	17,062	-	52,062

Cost	Furniture and fittings	Computers	Office Equipment	Capital Work in progress	Total
Depreciation Rate	12.5%	30%	12.5%		
	Kshs	Kshs	Kshs	Kshs	Kshs
1st July 2025	40,000	-	19,500	-	59,500
Depreciation	5,000	-	2,438	-	7,438
Disposals	-	-	-	-	-
Impairment	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-
As at 30th June 2026	35,000	-	17,063	-	52,062
Net Book Values					
As at 30th June 2025	-	-	-	-	-
As at 30th June 2026	35,000	-	17,063	-	52,062

Notes to the Financial Statements (Continued)

Valuation

Computers, Furniture and Fittings/ Equipment were valued professional valuers from the government in line with the National Assets and Liabilities Management Policy and Guidelines (issued 30th June 2020). These amounts were adopted by the CEB on 26th August 2025 with concurrence from the National Treasury.

13 (a) Property, Plant and Equipment at Cost

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

Description	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	-	-	-
Computers And Related Equipment	95,700	95,700	-
Office Equipment	96,500	82,000	14,500
Furniture, And Fittings	96,450	58,888	37,562
Total	**288,650**	**236,588**	**52,062**

Property, plant and Equipment includes the following assets that are fully depreciated:

Description	Cost or valuation	Normal annual depreciation charge
Plant and Machinery	-	-
Motor Vehicles including Motorcycles	-	-
Computers and Related Equipment	95,700	95,700
Office Equipment	77,000	77,000
Furniture and Fittings	56,540	56,540
Total	**229,150**	**229,150**

Notes to The Financial Statements (Continued)

14. Cash Generated from Operations

Description	FY 2025-2026	FY 2024-2025
	Kshs	Kshs
Surplus for the year	**48,042**	**3,553**
Adjusted for:		
Depreciation	7,438	-
Non-cash grants received		-
Contributed assets		-
Impairment		-
Gains and losses on disposal of assets		-
Contribution to provisions		-
Contribution to impairment allowance		-
Working capital adjustments		
Increase in inventory		-
Decrease in receivables		-
Increase in receivables		-
Increase in deferred income		-
Increase in payables		-
Increase in payments received in advance		-
Net cash flow from operating activities	**55,480**	**3,553**

Notes to the Financial Statements (Continued)

15. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the Kenya Social Congress (KSC) include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

Related parties include:

a. Office of the Registrar of Political Parties
b. CEB Members
c. Secretary General
d. The Treasurer
e. Executive Directors

Description	FY 2025/2026	FY 2024-2025
	Kshs	Kshs
a) Grants /transfers from the government		
Grants from Political Parties Fund	1,671,097	1,012,841
Other grants	-	-
	-	-
Total	**1,671,097**	**1,012,841**
b) Key management compensation		
Allowances to CEB Members	-	-
Compensation to key management	-	-
Total	-	-

16. Contingent Assets and Contingent Liabilities

There were no disclosures of any Contingent assets or liability held by the Party.

17. Events after the Reporting Period

There were no material adjusting and non-adjusting events after the reporting period.

18. Appendices

Appendix I: Implementation Status of Auditor-General's Recommendations

The following is the summary of issues raised by the external auditor and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
1	Irregular use of low-value procurement method.	We have come up with an approved Procurement Plan.	Resolved	Resolved
2	Non-Compliance with Climate Change budgeting and expenditure requirements.	Funds were made available and climate change activities and environment-related activities were carried out.	Resolved	Resolved
3	Non-compliance with the law on establishment of party offices.	The Party is on the process of opening the county offices. The progress is good and a final list of opened offices will be out by the end of the year.	Not resolved	31/12/2026

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Secretary General

Date: 13/7/26

Appendix II: Transfers from Political Parties Fund

No	Source of Funds (Kenya Social Congress (KSC))	Amount	Date Received	Financial Year the funds relates to
1	*Political Parties Fund*	*419,660.70*	*15 September 2025*	*FY 2025/26*
2	*Political Parties Fund*	*417,145.65*	*12 November 2025*	*FY 2025/26*
3	*Political Parties Fund*	*417,145.60*	*23 January 2026*	*FY 2025/26*
4	*Political Parties Fund*	*417,145.60*	*22 May 2026*	*FY 2025/26*